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Joseph W. Polito, Esq.
 Hoffman Miller Schwartz and Conn
 2290 First National Building
 Detroit, Michigan 48226

SEK:RNE

Re: KOI Petroleum, Inc.
 Docket No. V-52-2-52

Dear Mr. Polito:

Enclosed please find the fully executed Complaint, Findings Of Violation and Consent Order (the "Consent Order") relating to the purchase and operation by Petro-Chem Processing, Inc. ("PCPI") of the facility formerly operated by KOI Petroleum Co., Inc. on Lycastr Street in Detroit, Michigan.

The United States Environmental Protection Agency ("U.S. EPA") has made the findings in the Consent Order that the cleanup and operation of the facility are in the public interest, and has in hand PCPI's agreement to file the appropriate permit application and notification forms by the dates specified in the Consent Order. The U.S. EPA therefore agrees that PCPI, as owner and operator of the facility, will not be prosecuted for operating the facility without a permit under Subtitle C of the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq, as amended ("RCRA"). The U.S. EPA, of course, reserves its right to institute prosecutions for violations of applicable RCRA interim status or final standards, or for violations of other applicable status and regulations. PCPI should note that the Consent Order does not preclude actions brought under §7002 of RCRA by third persons to enforce the provisions of §3005 of RCRA or its implementing regulations. As the U.S. EPA has already stated at 45 FR 76532 (Wednesday, November 19, 1980), if the facility is otherwise in full compliance with applicable substantive environmental standards and the Consent Order, such actions are not likely.

Please also be advised that the U.S. EPA will not prosecute generators or transporters who may, in the future, contract with PCPI to send wastes to a heretofore unpermitted facility. Again, however, the U.S. EPA must reserve its right to seek redress against generators for violations of other applicable requirements under RCRA and regulations duly adopted thereunder.

As agreed, no civil penalty is being sought in the Consent Order for failure to comply with the notification and permit application requirements of §3010 of RCRA. Also, no stipulated penalties have been sought for failure to meet the schedules set forth in the Consent Order. PCPI's execution of the Consent Order, however, constitutes acknowledgment that such penalties may be sought in the future for PCPI's failure to comply with the requirements of RCRA and all applicable regulations thereunder.

You have also requested that the U.S. EPA provide you with assurance concerning buffer zone requirements at the facility. My staff has reviewed the regulations in 40 CFR Parts 264 and 265 and the National Fire Protection Association ("NFPA") Code, which has been incorporated into 40 CFR 264.108(b) and 40 CFR 265.108(b) by reference. The NFPA Code does not, in either its 1977 or 1981 versions, require a larger buffer zone than currently exists at the facility. Therefore, the U.S. EPA finds that the facility is in compliance with both 40 CFR 264.108(b) and 40 CFR 265.108(b).

Very truly yours,

Original Signed by Sandra S. Gardebring

Sandra S. Gardebring
Director, Enforcement Division

cc: Mr. Jack B. Sails
Mr. Delbert Rector
Mr. Alan J. Howard
Mr. Daniel D. Schultz

bcc: Joseph Boyle
Greg Vanderlaan
John Wheeler